# **United States Department of the Interior Bureau of Land Management**

## Finding of No Significant Impacts Environmental Assessment DOI-BLM-UT-W010-2013-0012-EA

## September 2013

# August 2013 Oil and Gas Lease Sale

Location: West Desert District

Salt Lake Field Office

Applicant/Address: U.S. Department of the Interior

Bureau of Land Management

**Utah State Office** 

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### **Introduction**

The Bureau of Land Management (BLM) has completed an environmental assessment (EA), DOI-BLM-UT-W010-2013-0012-EA, in order to address oil and gas lease parcel nominations within the Salt Lake Field Office (SLFO) for the August 2013 competitive oil and gas lease sale.

In reviewing the expressions of interest (EOIs) filed with this office, BLM considered oil and gas leasing on 244,332.555 acres (114 parcels) within the SLFO. Based upon a lease parcel review process that was conducted in accordance with the National Environmental Policy Act (NEPA) and BLM Washington Office (WO) Instruction Memoranda (IM) No. 2010-117, *Oil and Gas Leasing Reform – Land Use Planning and Lease Parcel Review*, 178,605.205 acres were deferred from the August 2013 oil and gas lease sale and, as identified in the Notice of Competitive Oil and Gas Lease Sale (NCLS)<sup>1</sup>, which was posted on May 17, 2013, 35 parcels, consisting of 65,727.350 acres, were offered at the competitive oil and gas lease sale that was held on August 20, 2013.

As documented in more detail in the Deferred Lands List, <sup>2</sup> 178,605.205 acres were deferred because of the presence of lands determined to possess wilderness characteristics, lands within the potential trail management corridor for the California National Historic Trail (NHT), lands within the US Magnesium Superfund Site or lands within a Military Munitions Response Program (MMRP) unit. Before oil and gas leasing can occur in the deferred areas, BLM must address its management of those areas with respect to lands with wilderness characteristics, the NHT, the US Magnesium Superfund Site and MMRP units through the land use planning process.

This Finding of No Significant Impacts (FONSI) addresses the following 35 parcels (65,727.350 acres) identified in the NCLS: UT0813-005, UT0813-006, UT0813-007, UT0813-008, UT0813-009, UT0813-010, UT0813-011, UT0813-012, UT0813-013, UT0813-014, UT0813-015, UT0813-016, UT0813-017, UT0813-017A, UT0813-018, UT0813-019, UT0813-020, UT0813-022, UT0813-029, UT0813-031, UT0813-032, UT0813-034, UT0813-035, UT0813-036, UT0813-038, UT0813-039, UT0813-040, UT0813-041, UT0813-042, UT0813-043, UT0813-044, UT0813-045, UT0813-046, UT0813-048, and UT0813-070.

Oil and gas leasing provides for the orderly development of fluid mineral resources under BLM jurisdiction in a manner consistent with multiple use management and with environmental consideration for the resources that are present. Adequate protections are included with the leases in order to protect public health and safety and assure full compliance with the objectives of NEPA and other applicable federal laws and regulations.

http://www.blm.gov/ut/st/en/prog/energy/oil\_and\_gas/oil\_and\_gas\_lease/august\_2013\_oil\_and.html

 $http://www.blm.gov/style/medialib/blm/ut/lands\_and\_minerals/oil\_and\_gas/august\_2013. Par. 23572. File. dat/Deferred \% 20 Lands. pdf$ 

<sup>&</sup>lt;sup>1</sup> Accessed online at:

<sup>&</sup>lt;sup>2</sup> Accessed online at:

Continued oil and gas leasing is necessary to maintain exploration options for oil and gas as energy developers seek new areas for production or attempt to locate and develop previously unidentified, inaccessible or uneconomical reserves. The sale of oil and gas leases will assist in meeting the energy needs of the United States.

The underlying need for the proposal has been met while accomplishing the following objectives:

- 1. Lease for oil and gas where doing so is in conformance with the applicable BLM land use plans and consistent with state and local plans.
- 2. Protect important wildlife habitat.
- 3. Protect traditional cultural properties and Native American sacred sites.
- 4. Mitigate impacts on other resource values, including air quality and migratory birds.

#### Finding of No Significant Impact Determination

Based upon a review of the EA and the supporting documents,<sup>3</sup> I have determined that the subject project is not a major federal action and it will not significantly affect the quality of the human environment, individually or cumulatively with other actions in the general area. No environmental effects meet the definition of significance in context or intensity as defined in 40 Code of Federal Regulations (CFR) 1508.27 or exceed those effects described in the Final Environmental Impact Statements (FEISs) prepared for the Pony Express (PE) Record of Decision and Resource Management Plan (ROD/RMP) (1990, as amended and maintained) and the Box Elder (BE) ROD/RMP (1986, as amended and maintained). Therefore, an environmental impact statement (EIS) is not needed.

This finding is based upon the context and intensity of the proposal, as described below:

<u>Context</u>: The lease sale involved 35 parcels (65,727.350 acres) of BLM administered lands within the SLFO that by themselves do not have international, national, regional, or state-wide importance. In developing the PE and BE ROD/RMPs, BLM estimated the surface disturbance for all significant reasonably foreseeable oil and gas activities within the planning areas over a 20-year period. The BLM verified these projections again during the preparation of the EA upon which this FONSI is based.

<u>Intensity</u>: The following discussion is organized around the Ten Significance Criteria, as described in 40 CFR 1508.27 and incorporated into the resources and issues considered in the EA. The following have been considered in evaluating intensity for this proposal:

1. Impacts may be both beneficial and adverse. The proposed leasing would impact resources as described in the EA. Mitigation measures, which include lease stipulations and notices, to reduce impacts to other resources were incorporated in to the leases and were based upon decisions within the applicable ROD/RMPs.

Collectively, the lease stipulations and notices form the resource protection measures identified in the EA (EA, Appendix A and C). None of the environmental effects discussed in detail in the EA are considered significant, nor do those effects exceed those

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<sup>&</sup>lt;sup>3</sup> The August 2013 Oil and Gas Lease Sale EA tiers to, and incorporates by reference, the analysis and information contained in supporting documents, which are identified in the EA at sections 1.5 and 1.6 and Appendix C – Interdisciplinary Checklist.

described in the applicable ROD/RMPs. Should all of the subject parcels be developed, they may contribute to local, regional and national energy supplies. Additional, site-specific NEPA analysis and further mitigation to reduce environmental impacts (if warranted) will be required at the Application for Permit to Drill (APD) stage.

- The degree to which the selected alternative will affect public health or 2. safety. Leasing for oil and gas and subsequent exploration and development is an ongoing activity on public lands. The stipulations and notices attached to the subject lease parcels, as well as the additional NEPA analysis and potential protections that may be applied at the APD stage, ensures that development of the subject leases would occur in a way that protects public health and safety. For example, spill prevention plans would be required and any drilling operations would be conducted under the safety requirements of the Federal Onshore Oil and Gas Orders (Onshore Orders), which are made applicable to the leases by the standard lease terms, recommended practices of the American Petroleum Institute, and other industry requirements for the protection of worker safety and public health. Environmentally responsible oil and gas operations, including health and safety, are outlined within the EA at sections 2.1.1 through 2.1.6. All operations, including well pad and road construction, water handling, and plugging and abandonment, would be conducted in accordance with the "Gold Book," Surface Operating Standards for Oil and Gas Exploration and Development. The Gold Book provides operators with a combination of guidance and standards for ensuring compliance with agency policies and operating requirements, such as those found in 43 CFR Subpart 3160, the Onshore Orders, notices to lessees and the standard terms for oil and gas leases. Also included in the Gold Book are environmental best management practices; these measures are designed to provide for safe and efficient operations while minimizing undesirable impacts to the environment. For example, handling of produced water is addressed in Onshore Oil and Gas Order No. 7, which prescribes measures required for the protection of surface and ground water sources. During reclamation, if the fluids within the reserve pit have not evaporated within 90 days, the fluid would be pumped from the pit and disposed of in accordance with applicable regulations.
- 3. Unique characteristics of the geographic area such as proximity to cultural resources and Traditional Cultural Properties (TCPs), recreation, visual resources, vegetation, and wildlife. Based upon a cultural resources records search and Class I literature review (as discussed in BLM Manual section 8.110.21A), as well as consideration for cultural site densities in the project area and the protective measures, such as lease notices and stipulations, that have been applied to the subject parcels, the SLFO made the determination that the August 2013 oil and gas lease sale offering presented no adverse effects to historic properties. This determination was rendered in accordance with section 106 of the National Historic Preservation Act (NHPA), which included conducting consultations with potentially interested Tribes and the Utah State Historic Preservation Office (SHPO). On March 4, 2013, SHPO provide its concurrence with respect to the BLM's no adverse effects determination for the August 2013 oil and gas lease sale offering. Additional information regarding the SLFO's no adverse effects determination and compliance with section 106 of the NHPA is provided in the EA at sections 5.0 - 5.3.1 and Appendix C.

The following resources and uses analyzed in the EA are not affected because they are not present in the project area: areas of critical environmental concern, fish habitat, paleontology, greater sage grouse habitat, threatened, endangered, candidate or special status plant or animal species, wild and scenic rivers, wilderness and wilderness study areas, and woodland/forestry.

In addition, the following resources and uses analyzed in the EA, although present, would not be impacted by the subject leasing action for the reasons listed in Appendix C of the EA: cultural resources, greenhouse gas emissions, environmental justice, farmlands (prime or unique), floodplains, fuels/fire management, geology/mineral resources/energy production, invasive species/noxious weeds, lands/access, livestock grazing, Native American religious concerns, rangeland health standards, recreation, socio-economics, soils, wastes (hazardous or solid), water resources/quality (drinking, surface, and ground), wetlands/riparian zones, vegetation, excluding special status species, visual resources, and wild horses and burros.

The Interdisciplinary Team Checklist (EA, Appendix C) contains the resource specialists' determinations and statements of rationale regarding the resources or uses not present or present, but not impacted, by the subject leasing action. Issues, including changes brought forward by an internal review, are discussed in the EA at sections 1.6, 5.0-5.4, and Appendix C. Significance thresholds were not exceeded for any resource or use of the public land by the subject leasing action.

The conditions for surface operations on the subject lease parcels, which include the standard lease terms, the Onshore Orders and the protective lease notices and stipulations that have been developed through the applicable ROD/RMPs, or recommended in the EA, and applied to the leases, take into account the resource values and appropriate management constraints prescribed in the governing land use plans.

- 4. The degree to which the effects on the quality of the human environment are likely to be highly controversial. Scientific controversy over the nature of the impacts does not exist. The oil and gas exploration and development that could follow leasing is a common practice on public lands. The natures of the activities and the potential impacts are understood and have been analyzed and disclosed to the public through the applicable ROD/RMPs and the EA.
- 5. The degree to which the possible effects on the human environment are highly uncertain or involve unique or unknown risks. As stated above, leasing and any subsequent exploration and development of oil and gas is not unique or unusual. The BLM has experience implementing the oil and gas program, and the environmental effects to the human environment are fully analyzed in existing NEPA documents, which include the applicable ROD/RMPs and the EA. Therefore, there are no predicted effects on the human environment that are considered to be highly uncertain or involve unique or unknown risks.
- 6. The degree to which the action may establish a precedent for future actions with significant effects or represents a decision in principle about a future consideration. Reasonably foreseeable actions connected to the decision to lease have been considered. A lessee's right to explore and drill for oil and gas, at some location on a lease, subject to the restrictions imposed by the standard lease terms and any lease

notices and stipulations applied to the lease, is commonly understood in the oil and gas industry and regularly enforced. A lessee must submit an APD identifying to BLM the specific location and drilling plans and the APD must be approved by BLM prior to the commencement of any ground disturbing operations. An appropriate NEPA document is prepared prior to approval of an APD. Following BLM's approval of an APD, a lessee may produce oil and gas from the lease. The impacts of leasing and the subsequent production of oil and/or gas from the subject parcels was considered by an interdisciplinary team within the context of past, present, and reasonably foreseeable future actions and, as stated below, significant cumulative effects are not predicted.

7. Whether the action is related to other actions with individually insignificant but cumulatively significant impacts – which include connected actions regardless of land ownership. The interdisciplinary team evaluated the possible actions in the context of past, present and reasonably foreseeable future actions. Significant cumulative effects are not predicted. A complete disclosure of the effects, including cumulative effects, associated with leasing the selected parcels is contained in Chapter 4 of the EA.

In summary, the EA established that increased surface disturbance associated with potential operational authorizations resulting from the Proposed Action alternative may impact resources as follows: air quality, migratory birds, and wildlife, excluding special status species.

It is anticipated that the protective lease stipulations and notices associated with the Proposed Action would reduce the impacts to specific resources and areas within the cumulative impact analysis area (CIA). The minimal amount of disturbance associated with the expected level of development in the CIA, in combination with Gold Book standard operating practices, best management practices, and additional protective measures that would minimize development impacts, would result in a negligible cumulative impact on the resources within the CIA.

8. The degree to which the action may adversely affect districts, sites, highways, structures, or other objects listed in or eligible for listing in the National Register of Historic Places or may cause loss or destruction of significant scientific, cultural, or historical resources. Leasing of the subject parcels, as provided for in the Proposed Action alternative of the EA and the NCLS, will not adversely affect districts, sites, highways, structures, or other objects listed, or eligible for listing, on the National Register of Historic Places, nor will it cause loss or destruction of significant scientific, cultural, or historical resources.

A cultural resources records search was completed for the subject parcel lands and a Class I literature review indicated that the areas in and around each offered parcel are of sufficiently low cultural site density that the avoidance of historic properties, both listed or eligible for listing on the National Register of Historic Places, could occur without precluding surface development and the extraction of the leased minerals on the subject parcels. Known cultural resources are located in such a fashion (size, density and placement) that avoidance is feasible during exploration for oil and gas resources. The results of the Class I literature review indicated that 150 archaeological sites are located within the limits of the subject lease parcels. Of the 150 sites, 69 are eligible for the National Register of Historic Places.

Given the requirements of the Onshore Orders, which, as previously mentioned, are made applicable to the leases by the standard lease terms, and the lease stipulations and notices placed on the subject leases by the applicable land use plans, scientific, cultural or historical resources would not be significantly affected by leasing the subject parcels. In addition, as required by WO IM 2005-003, the following stipulation has been attached to all of the August 2013 lease parcels:

This lease may be found to contain historic properties and/or resources protected under the National Historic Preservation Act (NHPA), American Indian Religious Freedom Act, Native American Graves Protection and Repatriation Act, E.O. 13007, or other statutes and executive orders. The BLM will not approve any ground disturbing activities that may affect any such properties or resources until it completes its obligations under applicable requirements of the NHPA and other authorities. The BLM may require modification to exploration or development proposals to protect such properties, or disapprove any activity that is likely to result in adverse effects that cannot be successfully avoided, minimized or mitigated.

Thus, it is likely that wells could be located on any of the lease parcels without disturbing any archaeological or historic sites that may be present. Furthermore, in accordance with section 106 of the NHPA, if actual surface-disturbing activities are proposed on the leases, site-specific cultural resource inventories will be conducted and additional consultation with Tribes and SHPO will occur.

For the reason discussed above, the SLFO made the determination that the August 2013 oil and gas lease sale offering posed no adverse effects to historic properties. This determination was rendered in accordance with section 106 of the National Historic Preservation Act (NHPA), which included conducting consultations with potentially interested Tribes and the SHPO.

The following Native American Tribes were notified via certified letter: Confederated Tribes of the Goshute Reservation, Skull Valley Band of the Goshute Tribe, Paiute Tribe, Ute Indian Tribe, Northwestern Band of Shoshoni Nation and Western Shoshone.

On March 4, 2013, SHPO provide its concurrence with respect to the BLM's no adverse effects determination for the August 2013 oil and gas lease sale offering.

9. The degree to which the action may adversely affect an endangered or threatened species or its habitat that has been determined to be critical under the Endangered Species Act of 1973, or the degree to which the action may adversely affect: 1) a proposed to be listed endangered or threatened species or its habitat, or 2) a species on BLM's sensitive species list. The BLM has consulted with the United States Fish and Wildlife Service (USFWS) with regard to oil and gas leasing in Utah on multiple occasions. In 2006, a statewide consultation occurred which resulted in the development of specific lease notices for individual listed species. A separate programmatic consultation was completed in April 2007 for the Canada Lynx.

The BLM committed to attaching the appropriate lease notices that were designed to manage and protect specific listed species in conjunction with the authority of the Endangered Species Act (ESA) and the standard lease terms and conditions for oil and gas leases. The BLM and USFWS have agreed upon the language for a lease stipulation,

which notifies lessees of specific species that require protection under the ESA. As required by WO IM 2002-174, the following lease stipulation has been attached to all of the August 2013 lease parcels:

The lease may now and hereafter contain plants, animals, and their habitats determined to be threatened, endangered, or other special status species. BLM may recommend modifications to exploration and development proposals to further its conservation and management objectives to avoid BLM approved activity that will contribute to a need to list such a species or their habitat. BLM may require modification to or disapprove proposed activity that is likely to result in jeopardy to the continued existence of a proposed or listed threatened or endangered species or result in the destruction or adverse modification of a designated or proposed critical habitat. BLM will not approve any ground-disturbing activity that may affect any such species or critical habitat until it completes its obligation under requirements of the Endangered Species Act as amended, 16 U. S. C. § 1531 et seq. including completion of any required procedure for conference or consultation.

The BLM consulted with both USFWS and UDWR in making a no effects determination with respect to the impacts posed by the August 2013 oil and gas lease offering upon threatened or endangered species and their habitat. On November 30, 2012, BLM sent the August 2013 oil and gas lease sale preliminary parcel list to USFWS for review. On July 31, 2013, BLM completed consultations with USFWS for the August 2013 oil and gas lease sale in accordance with the ESA.

Since appropriate stipulations and notices for protection of plants and wildlife, including special status species, have been identified, as incorporated through interdisciplinary and interagency efforts, BLM has also concluded that special status plant and animal species would not be adversely affected by the August 2013 oil and gas lease sale.

10. Whether the action threatens a violation of a federal, state, local, or tribal law, regulation or policy imposed for the protection of the environment, where nonfederal requirements are consistent with federal requirements. The BLM has no reason to believe that the sale and issuance of leases for the parcels included in the August 2013 oil and gas lease sale would violate any applicable federal, state, local or tribal law or any other requirement imposed for the protection of the environment. State, local, and tribal interests were given the opportunity to participate in the lease parcel review and environmental assessment process.

In addition, based on the emissions estimates and considerations of the parcel locations, no significant air resource impacts, including greenhouse gases, are anticipated. Accordingly, detailed analysis or modeling is not warranted at this time.

The project is consistent with the applicable resource management plans, policies, and programs, as indicated in section 1.4 of the EA - Conformance with BLM Land Use Plans. Additional consultation and coordination will be required during review and approval of site-specific proposals for oil and gas exploration, drilling and development.

/s/ Kent Hoffman
Authorized Officer

9/30/2013
Date